

P.S.C.U. Docket No. 06-057-T04

Data Request No. 1.09

Requested by Committee of Consumer Services

Date of QGC Response November 21, 2006

1.09 If the current GS-1 ratepayers were saddled with the GSS/EAC rates as proposed, how long would it take the new combined GS-1 group to pay off the GSS/EAC debt?

Answer: With an interest rate of 9.64%, it is estimated that the EAC debt would be paid off early in 2019 as shown in the table below. The calculations for this table are included in the spreadsheet attached to the response to CCS Data Request No. 1(d) in the DR #9 tab. This amortization schedule starts with the current owing balance for all EAC areas and includes payment amounts with the proposed GS-1 rates and the GS-1 volumes from the 2006 IRP. For the periods following 2015, (the end year for the IRP), the payments are escalated at the rate of increase from 2014 and 2015.

Data Request #9
Payoff Estimate If EAC Customers Are Merged Into GS-1

9.64%					
Year End	Beginning	Payment	Interest	Principle	Ending
2006					4,106,495
2007	4,106,495	543,513	395,866	147,647	3,958,848
2008	3,958,848	554,766	381,633	173,133	3,785,715
2009	3,785,715	566,172	364,943	201,229	3,584,486
2010	3,584,486	578,366	345,544	232,822	3,351,664
2011	3,351,664	589,090	323,100	265,990	3,085,675
2012	3,085,675	596,698	297,459	299,239	2,786,436
2013	2,786,436	606,739	268,612	338,127	2,448,309
2014	2,448,309	612,390	236,017	376,373	2,071,936
2015	2,071,936	618,615	199,735	418,880	1,653,056
2016	1,653,056	625,342	159,355	465,987	1,187,069
2017	1,187,069	632,142	114,433	517,709	669,360
2018	669,360	639,016	64,526	574,490	94,870
2019	94,870	645,965	9,145	636,820	(541,950)

The GSS customers do not have a loan arrangement like EAC areas. They have an agreement to pay until the expiration date for each area as shown on page 9-5 of the Utah Tariff. It would, therefore, take until those expiration dates for the new combined GS-1 group to pay the obligated amount.

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